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Poultry and Products

Minimal Economic & Trade Impact of HPAI H7N3 Detection on Saskatchewan Farm

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Report Highlights:

There is minimal Canadian economic and trade impact of HPAI H7N3 detection on a broiler breeder farm in Saskatchewan. The Canadian Food and Inspection Agency (CFIA) officially reported Sep. 27 and to OIE on Sep. 28. Japan and China banned all Canadian poultry and poultry products, yet U.S. and Hong Kong only restrict such poultry imports from Saskatchewan province. Only 50,000 poultry depopulated, and Saskatchewan province accounts for 3 percent of Canada's poultry production. There is no human infection.

Includes PSD Changes: No
Includes Trade Matrix: No
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Table of Contents

Detection Location and Notifications	3
CFIA Regionalizes Quarantine and Surveillance Premises	3
Map of Restricted Areas.....	3
Economic Impact Minimal	4
TRADE	4
Export Impact.....	4
Current Saskatchewan HPAI H7N3 detection trade bans	4
All Canada:	4
Saskatchewan Province:	5
United States Canadian Imports.....	5
WebLinks:.....	5

Detection Location and Notifications

A farmer in southern Saskatchewan Province notified officials on Sunday, Sept. 23 of high mortality on breeder broiler poultry farm. The farm detection is northwest of Regina, Saskatchewan and is located about 150 miles from the border with Montana.

The Canadian Food Inspection Agency (CFIA) confirmed high pathogenic avian influenza (HPAI) H7N3 laboratory results. H7N3 is not the same as Asian H5N1 that has been circulating in Asia, Europe, Africa and the Middle East. On Thursday, Sept. 27, 2007 CFIA publicly notified their first HPAI detection in Canada since 2004. CFIA also notified APHIS/USDA. CFIA officially submitted their report to the World Organization of Animal Health (OIE) on Friday, Sept. 28. CFIA will report more full science based official information to APHIS/USDA and OIE.

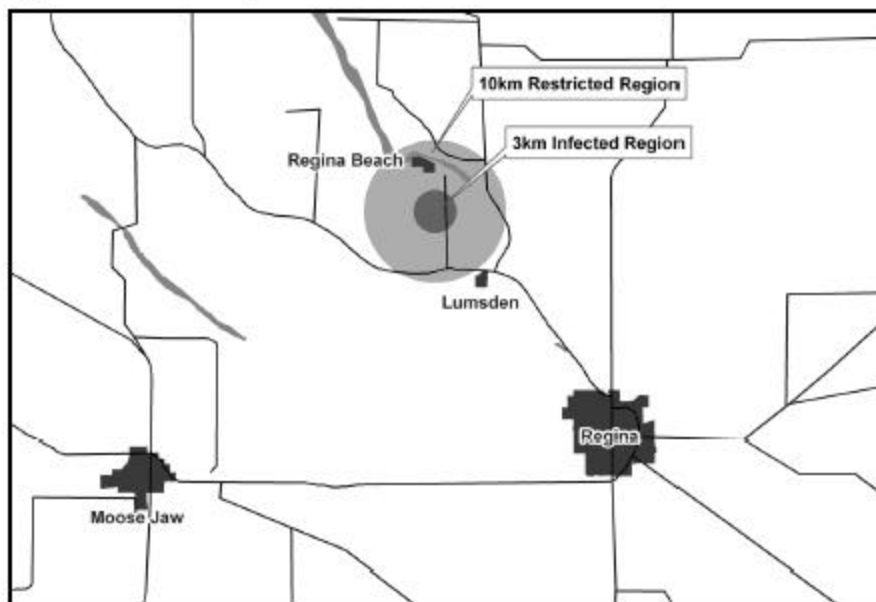
CFIA Regionalizes Quarantine and Surveillance Premises

Upon farm detection, CFIA imposed a 3 kilometer (1.86 miles) quarantine "Infected Region" of depopulation of farm poultry (government will provide market value compensation). There will be a minimum 21 days of cleaning and disinfection of barns, vehicles, equipment and tools. There is restricted movement of any poultry or poultry products. CFIA also imposed a 10 kilometer (6.2 miles) surveillance "Restricted Region", and thus far, they have not found any other detection. Vaccination is prohibited. See CFIA Map below.

CFIA continues to investigate the unknown source of detection. They are examining if it came from wild waterfowl or other item transmissions.

There were no human infections. CFIA reported that they informed during Sept. 27 press conference that they will work with others on public health in that area. They reported food safety and there is no H7N3 human infection. In contrast, H5N1 human cases mostly resulted from human direct contact with infected birds of other poor countries such as backyard farms or live markets. There is no human pandemic.

Map of Restricted Areas



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Economic Impact Minimal

Chicken Farmers of Canada representative Lisa Bishop Spencer was noted in a Sept. 29 CBC News that, "...it's not expected to have much of an economic impact." Domestically, CFIA allowed Saskatchewan province unrestricted area for sales of poultry and eggs purchased from grocery stores plus movement of birds, bird products and farm equipment outside of the 10 kilometer "Restricted Region". Canadian Agriculture Minister Gerry Ritz in his Sept 27 press release also noted, "None of the infected products from this farm were destined for the human food supply."

TRADE

Export Impact

Canada's chicken poultry broiler meat exports estimated in 2007 were 135,000 metric tons accounting 13.6% of Canadian production (sited in GAIN Report CA7043 Canada Poultry and Products Annual 2007 report). The United States accounts for 62% of Canadian poultry exports (\$86 million in 2006), followed by South Africa (12%, \$17 million); Hong Kong (5%; \$7 million); and Philippines (4%; \$6 million).

CFIA at their Sept. 27 press conference also said that some countries may close borders until they can provide more full reports. Some trade partners will regionalize or ban entire Canadian poultry and poultry produce imports.

Canada poultry and poultry product trade impact in Saskatchewan detection will only have poultry "Infected Region" of approximately 50,000 poultry depopulated. By comparison in the last Canadian HPAI detection in early 2004 in province of British Columbia (BC), there were approximately 18-19 million poultry depopulated costing \$65-70 million in BC. For comparison with this incident, BC accounts for about 15% of Canadian poultry output, yet Saskatchewan only accounts for about 3%.

Of 2004 detection, there were significant temporary trade implications and additional supplies of U.S. poultry meat were imported under a special supplementary import program to Canada's tariff rate quota for chicken and turkey. In 2004, the U.S., Hong Kong, and the Philippines took a regional approach; other smaller markets banned imports from the entire country. Of BC HPAI detection, Canada was declared AI-free in December 2005.

Current Saskatchewan HPAI H7N3 detection trade bans

All Canada:

Japan banned all poultry and poultry products from Canada. Last year, Japan imported 60,738 live chicks from Canada. Japan also imported 170 MT of poultry meat from Canada compared with overall imports of 379,053 MT in 2006.

China banned all poultry and poultry products from Canada. China orders return or destruction of products imported after September 23. Any Canadian poultry products passing through China to third countries must be sealed.

Saskatchewan Province:

Hong Kong announced Sept. 28 that it suspended poultry and game birds import from Saskatchewan.

United States announced Sept. 27 (see below USDA/APHIS press release information) of imports from Saskatchewan.

United States Canadian Imports

USDA/APHIS CVO Dr. John Clifford noted on Sept. 27 press release that "USDA is barring imports of all live birds, including chickens, turkeys and others, along with unprocessed avian products from the entire province of Saskatchewan." It also will not impact U.S. imports of Canadian poultry and poultry products since, "The United States has not imported poultry products from Saskatchewan since 2005." USDA/APHIS will review upcoming CFIA official scientific reports and if no other detection(s), there may be consideration of any other Saskatchewan area regionalization of U.S. poultry imports.

WebLinks:

The following is the CFIA link to additional and background information on the recent AI detection in Saskatchewan and Canadian control measures:

<http://www.inspection.gc.ca/english/anima/heasan/disemala/avflu/avflue.shtml>

The following is the APHIS link to the statement by Dr. John Clifford on avian influenza detection in Canada:

http://www.aphis.usda.gov/newsroom/content/2007/09/ai_canada_statement.shtml